

SYSTEM AND METHOD FOR MERCHANT FUNCTION  
ASSUMPTION OF INTERNET CHECKING AND SAVINGS  
ACCOUNT TRANSACTIONS

5 **Cross Reference to Related Applications**

This application claims the priority of applicant's co-pending application having U.S. Serial No. 60/098,196 filed August 27, 1998, incorporated herein by *this application is a continuation-in-part of* this reference, and applicant's co-pending utility application having U.S. Serial No. 09/237,739 filed January 26, 1999, <sup>now patent 6,098,053,</sup> incorporated herein by this reference.

- 10 This application also relates to applicant's co-pending utility application entitled "System and Use for Correspondent Banking" filed August 27, 1999, incorporated herein by this reference.

**Field of the Invention**

- 15 The present invention relates generally to the field of banking systems and Internet transactions, and more particularly, to a system that allows a service provider to perform merchant functions in utilizing checking and savings accounts in Internet transactions.

20 **Background of the Invention**

- With the increasing commercialization of the Internet, methods of performing payment transactions are becoming well known and new payment methods are desired. In an effort to expand the available sources of payment, methods have been developed to utilize checking and savings account funds to perform Internet transactions. Some methods allow the use of "electronic checks" to perform transactions.

There are a number of problems, however, associated with current electronic check methods. For example, since the flow of the current electronic checks replicates the flow used for paper checks, the merchant is unsure if the

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